EXHIBIT 58
[Filed Under Seal]

From:	Robinson, John
Sent:	Wednesday, October 15, 2014 9:50 AM
To:	'dmellendick@bop.gov'
Cc:	Baxter, John; MURRAY, Don; Verhulst, Bart; Beasley, Jeb; Hall, Keith; 'Robin Wentworth'
Subject:	BOP/CCA Partnering Response - CCA's QCP
Attachments:	Quality Assurance and the QCP in CCA's Partnership with BOP.10.9.14.docx

Donna,

At our recent Partnering Meeting we were asked to discuss our overall approach to quality control at our BOP contract facilities to help understand the numerous repetitive deficiencies in Health Services at Cibola and Eden. As an outcome from this discussion CCA agreed to conduct an analysis of the findings from CCA's QCP and BOP's CFM at these two facilities to ensure that both reflected concerns related to healthcare. CCA's Quality Assurance Division has prepared the attached document providing a narrative on CCA's overall approach to quality control, a comparative analysis of the results and steps that have been initiated or being proposed that will lead to increased consistency between our audit processes.

Give me a call if you have any questions or need additional information.

Thanks, John

From: MURRAY, Don
Sent: Thursday, October 09, 2014 11:26 AM
To: Robinson, John; Baxter, John; Hall, Keith
Subject: Quality Assurance and the QCP in CCA's Partnership with BOP.10.9.14

John, Keith and John B.:

Attached is the requested analysis of the BOP CFM results for Health Services with our internal audits for the past two years. There is not the degree of overlap that we had hoped, as you will see on page 4. We do have much better success in identifying repeats. However, there are many potential reasons for this, and there are several steps we have taken to hopefully help improve the degree of correspondence between the two sets of audits. I have provided great detail and context on pages 5 and 6 of the report in this regard.

Finally you will not that I have proposed we get together with the Program Review Division to meet to discuss further and also to observe them during one of our upcoming CFMs to better calibrate processes.

I am pleased to discuss this with you this afternoon if you like. I know we need to get this out but want to make sure you are all aware of the data and comfortable with the response. I know Harley had expressed an interest in this as well, perhaps (?) for discussion with Sara Revell.

Thanks.

Don

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Quality Assurance and the QCP in CCA's Partnership with the BOP

Corrections Corporation of America has long collaborated with the Federal Bureau of Prisons to maintain high quality correctional operations at CCA facilities operated under contract with the BOP. CCA utilizes a multi-faceted **Quality Control Plan** (QCP) which has been developed and improved over many years through its Quality Assurance Division, and which has been reviewed and approved by the Privatization Management Branch of BOP during contract reviews and on an annual basis.

The QCP program is designed to ensure an ongoing state of facility compliance with applicable policies, standards, regulations, and contractual requirements through the use of tools that set forth a road map for regular and comprehensive reviews of facility operations. Elements of the QCP are discussed in more detail below.

CCA Audit Tool

At the core of the QCP is the **CCA Audit Tool** (CCAAT). The CCAAT establishes a consistent set of facility benchmarks that reflect expected operational practices. The 2014 CCAAT includes over 1,600 indicators across 14 broad categories:

- General Administration
- PREA
- Finance
- Human Resources
- Learning and Development
- Health Services
- Security and Control

- Safety and Sanitation
- Transportation
- Physical Plant
- Food Service
- Laundry
- Classification and Unit Management
- Inmate Programs and Services

Each of these 14 categories is broken into sub-categories (over 160 subcategories exist in the 2014 CCAAT) that provide more specific areas to be reviewed. Sub-categories in turn consist of individual indicators that set forth the subject matter to be reviewed, detailed guidelines for the review that cover expected practice and the method of review, and the authority behind the indicator (e.g., policy number, ACA standard, regulation). Indicators are noted as general or priority, with priority indicating a higher impact on effectively meeting the operational expectations for the process under review.

The core CCAAT is updated annually and provided to BOP representatives for review and concurrence. These annual updates reflect adjustments made to governing policies, regulations, and operating practice and are developed by CCA's Facility Support Center (FSC) QA Division and subject matter experts at FSC, with additional input derived from auditors and facility staff based on operational audits conducted at facilities.

BOP Supplement

To respond with greater precision to performance expectations of the BOP while ensuring compliance with corporate requirements, CCA initiated the use of a **BOP Supplement** to the CCAAT in 2008. At facilities where the BOP is our primary partner (Adams, Cibola, Eden, McRae, Northeast Ohio), the BOP Supplement identifies BOP requirements that are over and above the requirements of the indicators reviewed in the CCAAT. The BOP Supplement is integrated with the CCAAT for use in various facility audits and is also provided to BOP for review and concurrence.

Beginning with the 2014 CCAAT, to ensure that BOP auditing requirements were integrated as completely as possible into CCA audits, the requirements communicated through the BOP Contract

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Facility Monitoring Tool (CFM) have been incorporated in their entirety as the BOP Supplement. Previously, the BOP Supplement had included selected elements of BOP requirements identified through a gap analysis between the CCAAT and specified BOP expectations.

Operational Audits

At BOP facilities, the CCAAT and BOP Supplement are used by an FSC-based audit team to conduct an independent review of facility operations, the **CCA Operational Audit**. The audit team at these facilities generally consists of six auditors, averaging over 20 years of correctional experience and approved by BOP. The team reports through the QA Division and Office of General Counsel to ensure its independence during the review. Other than pre-notification to BOP staff that the audit team is planning to visit the facility, this FSC Operational Audit is *unannounced*.

During a three to four day review, the audit team reviews the facility and its compliance with expected conditions and practice, noting and documenting any deficiencies that are identified. The auditors generally conduct a daily closeout with facility leadership during the week and a formal closeout via conference call with facility and FSC staff at the end of the week.

Indicators are scored either Satisfactory (SA), Need Improvement (NI), Non-Performing (NP), Non-Scored Deficiency (NSD), or Not Applicable (N/A). In addition, repeat deficiencies are identified and noted as priority repeats or general repeats.

- SA indicates that a process is fully compliant or operating at or above defined thresholds.
- NI generally indicates that a process is operating below the acceptable threshold of performance but is in place with some level of effectiveness at the facility.
- NP denotes a process with significant deficiencies and in some cases a process that is not in place as expected.
- NSD is used for deficiencies where the facility has performed to the best of its ability but has not been able to achieve acceptable compliance levels due to factors outside the facility's control. Facilities are expected to continue best efforts to remediate the conditions that result in an NSD, but the deficiency is not counted against the facility in overall scoring. Concerns are escalated to appropriate management and in some cases executives at FSC.
- N/A indicators are related to processes that do not relate to operations at the facility (e.g., female inmates, programs not in place) or review conditions that did not occur during the review period (e.g., hunger strikes).

Facility Self-Monitoring

To ensure that the FSC Operational Audit is not the only time that a facility undergoes review by CCA during the year, a practice of **Facility Self-Monitoring** has been developed at CCA facilities. Across all CCA facilities, the indicators in the CCAAT are distributed throughout the year so that the facility QA Manager conducts an additional on-site review. At BOP facilities, the BOP Supplement is included in the Self-Monitoring Tool, and a complete self-monitoring review is conducted *twice* each year.

Assistance Visits and Other CCA Reviews

SMEs from the FSC provide regular support services to facilities in their areas. In some cases, the SME will come to the facility to conduct training or a review of operations. Facilities can request comprehensive or targeted assistance visits from members of the QA audit team. Particularly when transitions have occurred at a facility executive or department head level, these assistance visits are a valuable supplement to SME support.

Plan of Action Process

All deficiencies identified at a facility are expected to be addressed through a **Plan of Action**, whether they were identified through the Operational Audit, Facility Self-Monitoring, informal CCA reviews or assistance visits, audits by partners, audits by other external parties, or in some other way.

Deficiencies identified through formal audits (CCA Operational Audit, partner audit, or other external review) are expected to be corrected through a formal plan of action (POA). Formal POAs are also expected for deficiencies identified through Facility Self-Monitoring and CCA monthly security inspections. These POAs are communicated and managed through CCA's centralized quality assurance software. Corrective actions which take longer to be closed than policy allows are escalated to CCA Operations MDs and VPs for additional attention.

Deficiencies identified through Facility Self-Monitoring, CCA monthly security inspections, assistance visits by FSC audit team members or other FSC SMEs, and other informal mechanisms (walk-throughs and other notifications) are documented in the facility's Log of Informal Findings. This Log also serves as documentation for the resulting POA. Plans of Action that are documented and implemented with a 90-day track record of effectiveness result in a facility receiving credit for the related indicator(s) during the Operational Audit.

Supplemental Facility Management Tools

Beyond the formal Operational Audit, the FSC QA Division facilitates several other reviews that assist in effective management and support of the facility and resolution of potential issues.

- Staff and Inmate Climate Surveys: Auditors conduct anonymous interviews with randomly selected staff and inmates during the Operational Audit. Questions gauge perceptions of institutional safety, levels of staff control, leader effectiveness, communication, and provision of services. Comments are solicited on negative responses. Average responses are aggregated for the facility and compared with facility historical data and overall CCA results to identify trends, cases of exceptional performance, and opportunities for improvement.
- Department Head Surveys: Auditors discuss effectiveness of FSC SME support with facility department heads, who review FSC staff across a number of areas of performance. Results are reported in aggregate, and comments are solicited on negative responses.
- Warden FSC Surveys: Auditors gather feedback from the facility Warden/Administrator about overall support received from numerous areas at the FSC. Results are reported in aggregate, and comments are solicited on neutral and negative responses.
- Contract Monitor Surveys: The team lead for the audit team seeks out the contract monitor for the facility's partner(s) to obtain their impressions of facility performance.

Outside Accreditation and Certification

CCA's general practice is to obtain ACA accreditation of facilities as soon as practical upon initiation of operations (generally within 18-24 months). CCA facilities have set a high standard of quality in this regard, with almost all non-mandatory standards achieving compliance during ACA Audits (average CCA score above 99.2%). All CCA correctional facilities supporting BOP are ACA accredited.

The recent implementation of PREA standards has led to another outside review of facility operations. CCA takes PREA seriously and implemented all facility-applicable standards as part of the CCAAT in 2013. The first year of PREA audits has produced very positive results at CCA facilities, and planning is well underway for cycle year 2 audits.

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Comparative Analysis of BOP CFM Results vs. CCA Internal Audit Results

As agreed during the partnership meeting, a comparative analysis of BOP CFM findings was made with CCA's internal audit results with a particular focus on the Health Services area. The analysis conducted reviewed findings from BOP CFMs from 2013 and 2014 YTD in comparison with CCA internal audit findings.

The results of the analysis are illustrated in the summary tables below.

**Table: Number of CFM Health Services Deficiencies and Repeats
Identified in Immediately Adjacent CCA Operational Audits**

Facility	2013 Medical Def. BOP Def.	CCA Prior	After	2014 Medical Def. BOP Def.	CCA Prior	After	2013 Med. Repeats BOP Def.	CCA Prior	After	2014 Med. Repeats BOP Def.	CCA Prior	After
Adams	20	0	2	14	0	3	1	0	0	3	0	2
Cibola	17	2	5	30	13	N/A	3	2	3	11	6	N/A
Eden	5	1	0	15	3	N/A	0	N/A	N/A	6	1	N/A
McRae	7	0	0	N/A**	N/A	N/A	0	N/A	N/A	N/A**	N/A	N/A
NEOCC	7	0	0	4	0	N/A	0	N/A	N/A	0	N/A	N/A
Total	56	3	7	63	16	3	4	2	3	20	7	2
Percentage		5%	13%		25%	21%*		50%	75%		35%	67%*

Adjacent Audit Percentage	(10/56 = 18%)			(19/63 = 30%)			(5/4 = 125%)			(9/20 = 45%)		

* Only Adams has undergone a CCA Operational Audit during 2014 that followed a BOP CFM.
** McRae has not undergone the 2014 CFM at the time of analysis.

Individual components of multi-part CFM findings are considered as separate deficiencies for purposes of this analysis.

Counts of deficiencies on the CCA Operational Audit include those which substantially replicate the specific issues identified in the final CFM report. The Operational Audits most immediately previous to and immediately following the CFM are considered. "N/A" in the "Prior and After" columns indicates that there were no deficiencies in the CFM. "N/A" in only the "After" column indicates that the subsequent CCA Operational Audit has not yet occurred.

As illustrated in the summary table above, during 2014, the degree of correspondence between BOP CFM findings and CCA internal audits in the Health Services area was determined to be approximately 30%, as 19 of 63 total deficiencies cited by the BOP were also cited during adjacent CCA internal audits. As the McRae CFM has not been completed yet, this percentage may change with the results of that review.

In 2013, the degree of correspondence between BOP CFM findings and CCA internal audits in the Health Services area was determined to be approximately 18%.

In terms of repeat deficiency identification, CCA's 2014 internal audit process identified approximately 45% of the repeat deficiencies cited during BOP CFMs. Again, this number may change as the McRae CFM has not been conducted for 2014. During 2013, CCA's internal audit process identified 125% of the repeat deficiencies cited by the BOP during CFMs. These

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percentages are calculated based on internal audits occurring prior to or after the BOP CFM for comparison purposes.

Discussion of Comparative Analysis Results

There are several factors that must be taken into consideration when viewing the readily apparent differences between the numbers of BOP deficiencies cited and those reported by CCA internal audits. These include the following:

- *Timing of Audits*: Differences in timing of the BOP CFM and CCA internal audits are likely to produce different results. With CCA and BOP audits conducted 4-6 months apart at some facilities, we actually hope *not* to replicate deficiency findings at these locations. It is fully expected that effective corrective action plans have been implemented at the facility level to remedy all deficiencies cited by partner and other audits. As the analysis of the repeat findings indicated, however, this has not always been the case.
- *Sampling variation*: Even at facilities where audit timing is more closely aligned, sampling variation still exists. Auditors for CCA and BOP will most likely review different subsets of the applicable documentation in the review of a process. This variation can, and often does, lead to different determinations about the adequacy of the process under review.
- *Differences in audit instruments*: BOP CFM audit tools are different from the audit tools used by CCA internal auditors. In all of the audits conducted to date, there were a number of CFM items that had not been fully incorporated in the CCA tool.
    - o That significant difference in the tool sets was corrected earlier this year with the BOP's approval (received April 8, 2014 – See Attachment A) to incorporate the full CFM audit tool into CCA's internal audit tools.
    - o We believe the incorporation of the CFM as a BOP Supplement in the CCA tool is a substantial step forward in increasing the consistency between the audits. Unfortunately, due to timing of approvals and audits, the new version of the supplement was not used for 2014 Operational Audits, but it is now incorporated in current Facility Self-Monitoring Tools and will be utilized going forward. We are highly optimistic that this variable will be less of a concern looking forward.
- *Threshold variation*: CCA and BOP may employ different tolerances for identifying deficiencies. Guidelines for one tool might indicate that the occurrence of a single instance of non-conformance in an area might be sufficient to cite a deficiency, while the same area or process on a different tool with different guidelines might look for a pattern of nonconformance before citing a deficiency.
- *Auditor variation*: In addition to sampling and threshold variation, the use of different auditors may itself lead to different conclusions. Auditors may look at standards or data differently, or in a manner inconsistent with the guidelines. Despite audit tool designers' best efforts to craft and provide clear and concise review and scoring guidelines, variation among auditors will likely continue to exist at some level.
    - o In an effort to address this concern nearly four years ago, CCA's QA Division recruited and hired a well-respected former BOP Health Services Administrator having more than 20 years of experience as a practitioner and facility HSA. Additionally, he served on numerous Program Reviews for the BOP in the Health Services area and is widely regarded for his skills by both BOP and CCA staff as well.
    - o Additionally, CCA would welcome the opportunity to send members of our audit teams and certain key operations personnel to observe a CFM audit, in an effort to better replicate BOP's audit processes and reduce this variation further.

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<u>Recent and Ongoing Improvements in CCA's QA Processes at BOP Facilities</u>

CCA continuously searches for ways to improve the quality of facility operations, through both the FSC and local reviews of detailed facility processes and review of the overall CCA quality program. CCA-wide changes are generally effected through updates at the beginning of a calendar year, but are based on data gathered throughout the year. Upgrades put in place in the recent past include:

- CCAAT Updates: The full CCA Audit Tool is reviewed at least annually by the QA Division and generally by relevant FSC SMEs as well.
- BOP Supplement Update: The 2014 CCAAT for BOP facilities includes the upgraded BOP Supplement, reviewing all applicable CFM requirements.
- New 2014 Health Services Care Review: Recognizing that looking at health services performance even two or three times a year is not sufficient for some functions, CCA has adopted a system-wide Health Services Care review. This protocol results in more frequent facility review of CCAAT Health Services indicators, with each indicator now reviewed at the facility at least semi-annually and some processes reviewed quarterly or monthly to ensure ongoing compliance.
- Self-Monitoring Tool Updates: The Self-Monitoring Tool is updated annually to incorporate changes to the CCAAT. The Health Services Care Review is incorporated in the most recent Self-Monitoring program at BOP facilities, as is the upgraded BOP Supplement.
- PREA Standards: The PREA Standards have been fully integrated into the CCAAT since 2013.
- Facility feedback on FSC support: The Department Head Survey and Warden FSC Survey results inform CCA leadership about facility concerns and opportunities for improvement.
- Updates to Staff Climate Surveys: Review of survey data suggested additional questions that were added to the staff surveys to obtain a more well-rounded view of staff perceptions.
- Updates to Inmate Climate Surveys: Comments provided during climate survey interviews led to revisions of some questions and additions of others to obtain more precise data.

Many recent enhancements have been made to CCA's QCP program at BOP facilities. As part of our continuing effort to maintain high levels of performance, as viewed by our partners, we are actively working to improve calibration of CCA deficiency findings with BOP's results. We have in fact significantly increased the percentage of overlap in these results during 2014. Further, though the issues had not been resolved at the time of the CFM, we had identified Health Services operations at Cibola and Eden as areas of meaningful concern through the CCA Operational Audit process. The concerns had been communicated and resolution of the issues remains of the highest priority to CCA. We believe the upgraded 2014 BOP Supplement will continue to enhance our ability to identify and remediate issues that could be of concern during BOP audits.

Even with improved calibration of CCA audit tools, several factors may continue to present challenges in better identifying and forecasting potential BOP concerns in future CCA audits. As such, we would like the BOP to consider this as our formal request to have key operations and compliance managers, QA leadership and auditors meet with BOP's Program Review management and auditors and arrange to observe a BOP CFM in progress. We believe further collaboration in this critical area will do much to help produce enhanced understanding of BOP CFM audit practices and hopefully lead to greater consistency in meeting BOP operational expectations.

Finally, we continue to welcome all input from BOP in regard to how we can better be of service.

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